

**UGI Utilities, Inc. - Electric Division
Energy Efficiency and Conservation Plan
Development and Impact of Energy Efficiency and Conservation Rate
"EEC Rate"**

Residential Customer Class

| <u>Plan Year</u> | | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> |
|---|--------------------------------------|----------------------|----------------------|----------------------|
| Program Cost - Residential ¹ | | \$1,655,497 | \$1,871,336 | \$1,900,346 |
| Declining Projected Residential Usage (kWh) | | 518,904,424 | 507,648,886 | 496,253,765 |
| EEC Rate (¢/kWh) ² | | 0.334 | 0.386 | 0.401 |
| Current Residential Rate (¢/kWh): | <u>Base Rate</u> ³ | | | |
| 500 kWh Monthly Use | 14.462 | 14.796 | 14.848 | 14.863 |
| 1,000 kWh Monthly Use | 13.666 | 14.000 | 14.052 | 14.067 |
| 1,500 kWh Monthly Use | 13.166 | 13.500 | 13.552 | 13.567 |
| Cumulative Rate Impact: | | | | |
| 500 kWh Monthly Use | | 2.31% | 2.67% | 2.77% |
| 1,000 kWh Monthly Use | | 2.44% | 2.82% | 2.93% |
| 1,500 kWh Monthly Use | | 2.54% | 2.93% | 3.05% |
| Average EEC charge per Monthly Residential Bill | | \$2.49 | \$2.81 | \$2.85 |

C&I Customer Class

| <u>Plan Year</u> | | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> |
|---|--------------------------------------|----------------------|----------------------|----------------------|
| Program Cost - C&I ¹ | | \$984,281 | \$1,091,282 | \$1,099,991 |
| Declining Projected C&I Usage (kWh) | | 436,476,444 | 433,270,769 | 429,901,432 |
| EEC Rate (¢/kWh) ² | | 0.236 | 0.263 | 0.268 |
| Current C&I Rate (¢/kWh): | <u>Base Rate</u> ³ | | | |
| 5 kW Demand 1,000 kWh Monthly Use | 14.691 | 14.927 | 14.954 | 14.959 |
| 25 kW Demand 10,000 kWh Monthly Use | 13.314 | 13.550 | 13.577 | 13.582 |
| 500 kW Demand 200,000 kWh Monthly Use | 11.016 | 11.252 | 11.279 | 11.284 |
| Cumulative Rate Impact: | | | | |
| 5 kW Demand 1,000 kWh Monthly Use | | 1.61% | 1.79% | 1.82% |
| 25 kW Demand 10,000 kWh Monthly Use | | 1.77% | 1.98% | 2.01% |
| 500 kW Demand 200,000 kWh Monthly Use | | 2.14% | 2.39% | 2.43% |
| Average EEC charge per Monthly C&I Bill | | \$9.66 | \$10.71 | \$10.80 |

Footnotes:

¹ Administrative costs, including the costs associated with the preparation and obtaining Commission approval of the EE&C Plan, are allocated between residential and C&I based on sales.

² Includes 4.4% applicable to Gross Receipts Tax.

³ Total rate as of September 1, 2010 (Does not include STAS).